

Security Information

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Chief of Logistics

Comptroller

Proposal to Expedite Payment of Billings Received from
Other Government Agencies

1. PROBLEM

We have in our Fiscal Division at this time some 150 billings (Standard Form 1080 vouchers) received from other Government agencies covering material or services performed for CIA. Payment of these vouchers has been delayed due to our inability to secure Receiving and Inspection Reports from the Procurement Division and/or the

2. DISCUSSION

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- a. Delay in the payment of billings to other agencies, because of lack of Receiving Reports, has developed into a chronic problem, and the reputation of the Agency in paying its obligations is being adversely affected by such delays. In checking to find a more expeditious method of paying such bills, we find that Section 601 of the Act of June 30, 1932, as amended, 31 U.S.C. 686, provides in pertinent part as follows:

"(a) Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned ***** Bills rendered, or requests for advance payments made, pursuant to any such order, shall not be subject to audit or certification in advance of payment."

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- b. Since the foregoing provides that bills shall be paid promptly, and that they shall not be subject to audit or certification in advance of payment, it appears that we could pay such bills promptly without waiting for Receiving and Inspection Reports from your office or the operating divisions, as heretofore.
- c. The procedures currently being put into effect which provides for the preparation of Consolidated Receiving Reports at field stations, and the establishment of "Accounts Payable" at headquarters, based upon such reports, should, as it becomes fully operative, eliminate many of the delays and difficulties now being experienced in connection with the settlement of bills received from other agencies. However, we have as a matter of immediate concern the question of how to expedite payment of the bills we now have on hand, as well as future bills covering material which was delivered before current procedures became fully operative.

3. RECOMMENDATIONS

Effective immediately, we propose to audit and pay bills received from other Government agencies promptly, notwithstanding the fact that complete Receiving and Inspection Reports may not have been furnished our Fiscal Division. However, where Consolidated Receiving Reports are being received, pursuant to procedures currently being put into effect, billings will be reconciled with these reports prior to payment. In every case where bills are paid without adequate Receiving and Inspection Reports having been furnished, we will advise your office of the payment in order that you may initiate follow-up action to insure that property accountability records are established, or such other action as may be appropriate.

E. R. SAUNDERS

CONCUR:

25X1 151 [redacted]
Acting Chief, Logistics Office
15 Sept. 1953

25X1 [redacted] law (1 Sept. 1953)
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